Treating Customers Fairly (TCF) Policy for Financial Services Provider (FSP) S and S Insurance Brokers (Pty) Ltd, FSP Number 51433

1. Introduction

TCF stands for Treating Customers Fairly. All FSPs are required to incorporate the 6 TCF outcomes into their business operations.

TCF is the responsibility of S and S Insurance Brokers (Pty) Ltd and may not be outsourced to another party. TCF needs to be incorporated into the way that the FSP conducts business every day and in the way that the FSP deals with their clients.

Whilst a compliance officer can provide guidance and assistance to S and S Insurance Brokers (Pty) Ltd with regards to how to incorporate TCF into the way the FSP conducts business, it will be up to you as an FSP to ensure that TCF is central to the functioning of the FSP.

The concept of TCF is not foreign to FSP' and their representatives with section 2 of the FAIS General Code of Conduct already obliging FSP's to *"at all times render financial services honestly, fairly, with due skill, care and diligence, and in the interests of clients and the integrity of the financial services industry."* In practice, a material failure to deliver one or more of the TCF Outcomes will already constitute a breach of this obligation and would therefore be actionable by the regulator. A number of the more specific obligations in the General Code, for example those relating to disclosure, suitability of advice, etc., are equally consistent with the TCF principles. Similar examples exist in other pieces of FSCA-supervised legislation.

A TCF culture framework must be created in S and S Insurance Brokers (Pty) Ltd to ensure the behaviours and attitudes necessary for TCF and FSP's will be expected to build a TCF approach into the following organisational structures and processes of their organisations, namely: -

- Leadership: TCF must be “owned” by the most senior management structures within S and S Insurance Brokers (Pty) Ltd which will be held to account to ensure the delivery of TCF outcomes at all levels.
- Strategy: The TCF aims should not merely be part of a firm’s stated vision and values but must also be carried through to implementation as part of the firm’s broader business strategy.
- Decision-making: Decision-making protocols should ensure that decisions are tested for customer impact with staff free to, without repercussions, evaluate and challenge decisions from the TCF.
- Governance and controls: The governance structures and control mechanisms within S and S Insurance Brokers (Pty) Ltd will need to be designed to create disciplines around TCF which may include product distribution, service standard setting, complaint handling and resolution and control mechanisms.
- Performance management: All staff of S and S Insurance Brokers (Pty) Ltd need to be trained to deliver appropriate TCF outcomes with these TCF deliverables forming part of staff performance contracts where appropriate and performance should be evaluated in terms of TCF competence and expectations.
- Reward: Remuneration, incentive, and reward policies need to take cognisance of fair customer outcomes and entail consequences for TCF successes and failures.

2. Purpose

This policy outlines how S and S Insurance Brokers (Pty) Ltd, “the FSP” applies the Treating Customers Fairly (TCF) principles required by the Financial Advisory and Intermediary Services Act (FAIS) and the FSCA TCF Framework to ensure that FSPs embed fair treatment into their culture, governance, and daily operations.

The goal is to ensure fair customer outcomes throughout the product and service lifecycle.

3. Scope

This policy applies to all representatives, key individuals, employees, and associates of the FSP, as well as all financial products and services offered to clients.

4. Regulatory Framework

- Financial Advisory and Intermediary Services Act, 2002 (Act 37 of 2002
- General Code of Conduct for Authorised FSPs and Representatives
- Financial Sector Regulation Act, 2017
- FSCA Treating Customers Fairly (TCF) Framework (2011)
- Conduct of Financial Institutions (COFI) Bill (Draft)

The FSCA Treating Customers Fairly (TCF) Framework, introduced in 2011 by the FSB, the predecessor to the Financial Sector Conduct Authority, is a regulatory approach mandating that financial institutions deliver specific fairness outcomes to customers. It ensures fair treatment across a product's lifecycle through six core outcomes, focusing on culture, design, communication, advice, performance, and post-sale barriers.

The framework serves as an enabler for broader consumer protection, ensuring that firms act with due regard for customer interests.

5. TCF Philosophy

S and S Insurance Brokers (Pty) Ltd is committed to embedding a culture where fair treatment of customers is central to its values, governance, and operations. All staff must ensure that TCF principles guide daily decisions and client interactions.

6. The Six TCF Outcomes

Outcome	Description	FSP Implementation
1.Culture and Governance	Customers are confident that fair treatment is central to	• Communication of this principle to your customers in your dealings with them which will be included in the explanation of your sales process and compliance paperwork. • Leadership promotes ethical conduct

	the firm's culture	• TCF integrated into governance and KPIs • Include TCF Policy and Procedure in FSP's Standard Operating Procedures.
2. Product & Service Design.	Products and services meet the needs of identified target markets	• Whilst this appears to be largely a product supplier obligation, you must know your market, know your products, market appropriate products to your customers, know your customer especially his/her product knowledge level and establish the needs of your customer through a financial needs analysis. • FSP house view on products and Due Diligence and suitability checks on product suppliers.
3. Clear Information	Clients receive clear, accurate and timely information	• Plain language communication and record-keeping ensured • You must follow S and S Insurance Brokers (Pty) Ltd's Sales process, maintain accurate and comprehensive paperwork and be responsive to customer's queries and complaints and address them timeously. • Driven by FAIS Disclosures, Conflict of Interest policy and licensing requirements.
4. Suitable Advice	Advice is suitable and based on clients' needs and circumstances	• Comprehensive needs analysis and documentation conducted • Follow the 6 steps of financial planning which includes the gathering of information, doing a needs analysis which flows into recommendations, provision of a record of advice which is appropriate given the client's

		needs, objectives, and circumstances, provide reasons for products recommended and why these products should satisfy the customer's needs and objectives. • Driven by FAIS data gathering, financial needs analysis, Proposal / Quotes and Record of Advice.
5. Performance & Services	Products and services perform as customers were led to expect	• Service quality monitored and complaints reviewed for trends • Manage customer's expectations in line with products recommended and implemented and ongoing service, deliver on what you say and rather under promise and over deliver as opposed to creating unrealistic expectations. • Driven by Internal Checks, Complaints Register, Replacements Registers, and annual Client Reviews.
6. After-Sales & Complaints	Clients face no unreasonable barriers to claim or complaints	• Fair accessible complaints process in place with prompt redress • The Letter of Introduction refers to S and S Insurance Brokers (Pty) Ltd's Complaints Resolution process which includes how and to whom the customer complaint must be directed, with the first port of call being the FSP and should the complaint not be resolved to the customer's satisfaction, the alternative avenues a customer can follow which may include referring the complaint to the FAIS Ombud, National Financial Ombudsman Scheme, Pension Fund Adjudicator or other legal action.

		• Driven by Complaints Policy and Procedure and Client Complaint Acknowledgement

The following questions should also provide some guidance on questions S and S Insurance Brokers (Pty) Ltd, and their representatives should consider in delivering the above 6 outcomes of TCF.

	Question	**How**
1	Who is responsible for TCF in the FSP?	Appoint a TCF champion.
2	How do you measure TCF delivery?	Staff competence & culture, client communication, compliance monitoring, engagement with product suppliers, post-sale client communication, replacements & complaints registers.
3	Are all staff clear of their TCF responsibilities?	Training and regular meetings to discuss TCF.
4	How do you take TCF into account when deciding whether to contract with a particular product supplier or whether to market a particular product?	FSP due diligence process which takes into account your customer profile as well as the profile and product offering of the product supplier.
5	How do you confirm which target market a product is designed for and then ensure that you market accordingly?	Business Planning Market Strategy, Due Diligence process and product suppliers house view.

6	What do you do if it is not up to standard?	Engage with product suppliers and set out an internal review process.
7	How do you ensure customers get post sale information when they need it (over & above annual statements)?	FSP to enter into a Service Level Agreement with their customers.
8	Do you insist that product suppliers give your representatives specific product training?	FSP to have a documented product training process and accreditation assessment prior to marketing of their products. There must also be at least an annual product accreditation assessment.
9	What level of feedback do you give product suppliers on their products and service?	At least an annual meeting and survey with the product suppliers Broker Consultant in this regard.
10	What controls do you have in place to monitor risk of poor advice by your representatives?	Compliance Paperwork Checklist must be in place for each and every transaction of representatives the content of which must be sampled by both the Key Individual and Compliance Officer.
11	Do you monitor customer complaints, claims, replacements, and portfolio switches?	Must implement and maintain a Complaints and Policy Replacement Registers.
12	What do you do to mitigate risks for customers when you discover a problem with advice given?	This should be set out in the FSP's Conflict of Interest and Complaints Resolution policies.

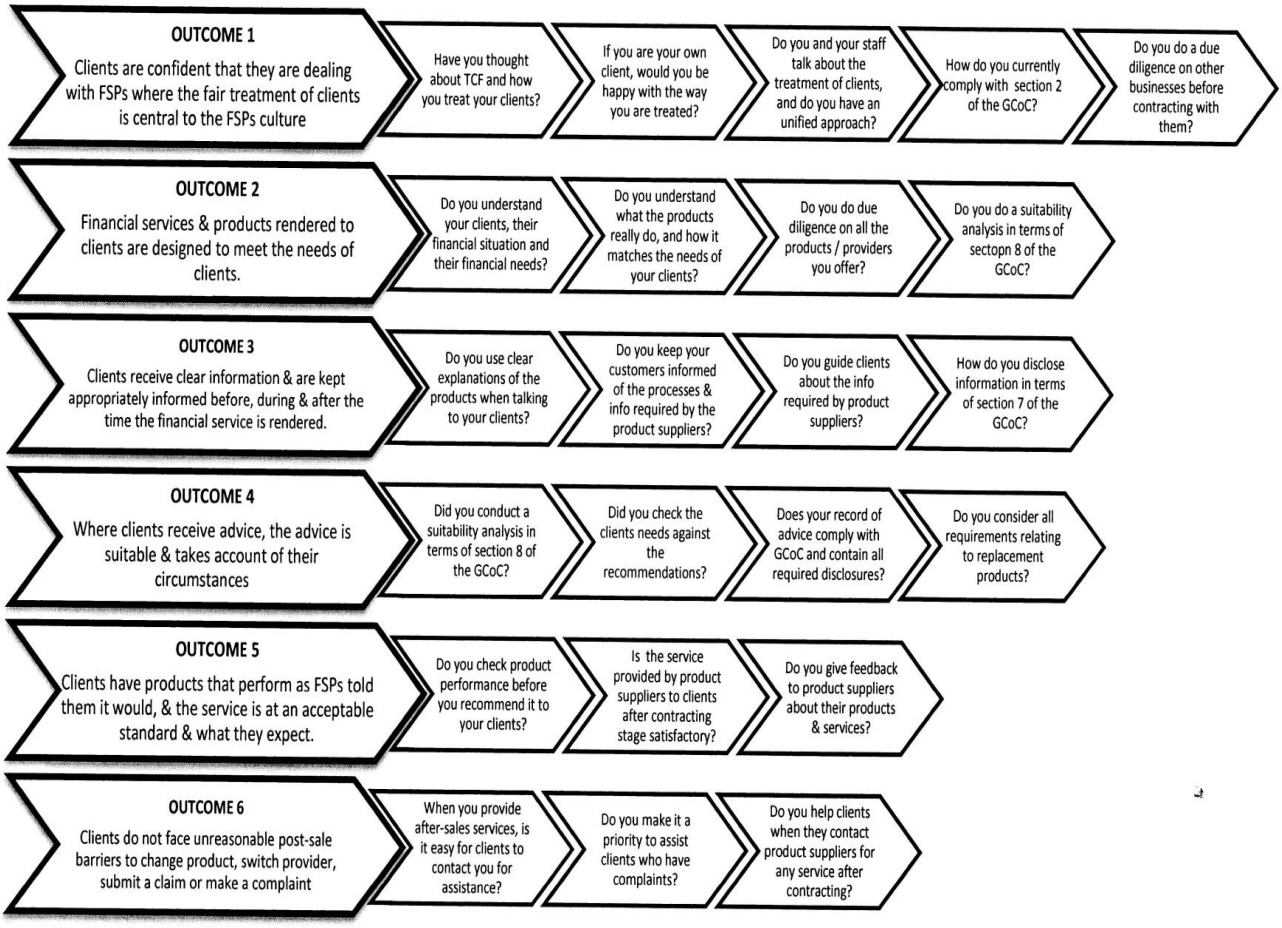
13	Have you communicated your service standards to your customers?	This should be set out in the FSP's Service Level agreement or marketing document.
14	How do you support your customers at claim stage?	This should be set out in the FSP's standard operating procedures.
15	Do you analyse and act on complaints for TCF purposes?	The Complaints register and how the complaint is handled is a measure of the effective implementation of TCF in your practice. Trends can be picked up in the information recorded in this register.

TCF is an ongoing process, and the following should also be considered: -

- Continually re-look at the TCF principles and the FSP's business by answering the above questions;
- Discuss the TCF outcomes with staff and agree how they will be lived in the FSP;
- Decide how the TCF outcomes will be incorporated in the FSP's business processes;
- Document your decisions by updating policies and processes;
- Review your policies and processes on a regular basis, at least annually, adjust where necessary;
- Get feedback from your clients on the service you provide to them, and use this to check what you do well (keep on doing this) and where you can improve (do something different);
    - View any complaints that you receive as an opportunity to learn and improve;
    - Develop open communication lines with the product suppliers you use, to make sure you understand the products and services; and
    - Give feedback to product suppliers on you and your customer's experiences of their product performance, promotional material, and service delivery before, during and after the contracting stage.

The intended benefits of the TCF Policy which is then also what a customer can expect is: -

- Improved customer confidence;
- The supply of appropriate products and services; and
- Enhanced transparency and disciplines in the Financial Services Industry



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7. TCF Objectives

- Embed TCF principles in all business areas.
- Train all staff on the six TCF outcomes.
- Ensure advice and service meet client expectations.
- Handle complaints consistently and transparently.
- Monitor and evidence the delivery of fair outcomes.

8. Roles and Responsibilities

Key Individual / Management:

- Drive TCF culture and accountability across the organisation.
- Integrate TCF into governance, planning, and performance reviews.

Compliance Officer:

- Monitor adherence and report findings to management.
- Conduct TCF audits and implement improvements.

Representatives and Employees:

- Apply TCF in all interactions and disclose all relevant information.
- Identify and report potential unfair treatment or conflicts.

9. TCF Process Flow

1. Product & Service Design – Verify suitability and conduct due diligence.
2. Marketing & Promotion – Ensure materials are accurate and not misleading.
3. Advice – Conduct needs analysis, risk profiling, and disclose fees/risks.
4. Post-Sale Service – Manage claims and complaints efficiently.
5. Monitoring – Track TCF indicators and report outcomes to management.

10. Evidence of TCF Delivery

Evidence includes advice records, due diligence documents, complaint registers, training logs, and TCF self-assessment reports – see Annexure A.

11. TCF Training

All staff must undergo induction and annual refresher training on the six TCF outcomes, FAIS links, and case studies. Training attendance must be recorded.

12. Monitoring and Reporting

The Compliance Officer monitors adherence and reports quarterly to management. Key indicators include complaints data, audit results, and customer feedback.

13. Review

This policy will be reviewed annually or upon any regulatory change to FAIS, FSCA Conduct Standards, or the TCF framework.

14. Annexure A – TCF Implementation Checklist

TCF Outcome	Implementation Evidence	Responsible Person	Frequency
1. Culture & Governance	Staff training, policies, audits	Key Individual	Annual
2. Product & Service Design	Product due diligence records	Compliance Officer	Ongoing
3. Clear Information	Client communication records	Representatives	Per Client
4. Suitable Advice	Needs analysis and ROA	Representative	Per Advice
5. Performance & Service	Service reports, QA checks	Management	Quarterly
6. After-Sales Care	Complaints log, resolution times	Compliance Officer	Quarterly